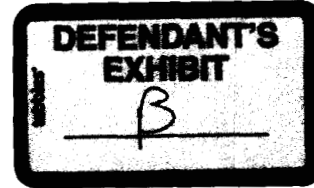


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11 Attorneys for Plaintiff

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IN THE UNITED STATES DISTRICT COURT  
 FOR THE NORTHERN MARIANA ISLANDS

12 **ELAINE CHAO, SECRETARY OF**  
 13 **LABOR, U.S. DEPARTMENT OF**  
 14 **LABOR,**

15 Plaintiff,

16 v.

17 **NEW SAIPAN DEVELOPMENT, INC., a**  
 18 **corporation: ROYAL CROWN**  
 19 **INSURANCE CORPORATION, a**  
 20 **corporation: CHEONG PUI NG a/k/a**  
 21 **TONY C. P. NG; and KANG HO YU,**

22 Defendants.

Civil Action No. 03-0012

**SETTLEMENT AGREEMENT**

23 Plaintiff Elaine L. Chao, Secretary of Labor, United States Department of Labor  
 24 ("the Secretary"), and defendants New Saipan Development, Inc., ("New Saipan  
 25 Development"), Royal Crown Insurance Corporation, ("Royal Crown Insurance"),  
 26 Cheong Pui Ng a/k/a Tony C. P. Ng ("Ng"), and Kang Ho Yu ("Yu") (collectively,  
 27 "Defendants"), have agreed to enter into a Settlement Agreement ("Agreement") to  
 28 resolve the matters in controversy in the above captioned case under the following  
 terms:

1. On May 1, 2003 the Secretary filed a complaint against the Defendants  
 alleging that they violated the Fair Labor Standards Act of 1938 ("FLSA"), 29 U.S.C.

1  
2 § 201, *et seq.*, by their failure to pay overtime to certain employees more specifically set  
3 forth in Exh. A to this Agreement and incorporated herein by reference. In her  
4 complaint, the Secretary also alleged, *inter alia*, that the employees named in Exh. A  
5 were employed by an enterprise that consisted of New Saipan Development, Royal  
6 Crown Insurance, and Ng, (the "Enterprise"); that the Enterprise was an "enterprise  
7 engaged in commerce" within the meaning of 29 U.S.C. § 203(s)(1); that the Enterprise  
8 was the "Employer" of the employees named in Exh. A within the meaning of 29 U.S.C.  
9 § 203(d); and, that Yu was an employer of the employees named in Exh. A within the  
10 meaning of 29 U.S.C. § 203(d).

11 2. The parties agree that this settlement agreement resolves the claims alleged  
12 in the Secretary's complaint against Defendants, separately and collectively.

13 3 Without admitting that they violated the FLSA, the Defendants agree to the  
14 following:

15 A. The Defendants shall, within 24 hours of the date this Agreement is  
16 executed by all parties, pay to the Secretary the sum of FIVE THOUSAND dollars  
17 (\$5,000.00) (the "Settlement Payment") in settlement of the claims in her complaint.

18 B. The Settlement Payment shall be delivered to Plaintiff's authorized  
19 representatives at:

20  
21 Saipan Field Office  
22 Wage and Hour Division,  
23 United States Department of Labor,  
24 Kallinjal Building,  
25 Garapan, Saipan MP

26 C. The Settlement Payment shall be in the form of a certified or  
27 cashier's check or money order that is made payable to the order of the "Wage and Hour  
28 Division, United States Department of Labor."

29 4. The Secretary agrees to allocate and distribute the Settlement Payment to  
the employees listed in Exh. A or their estates if necessary. Any money not so

1 distributed within a period of one year from the date of the payment because of an  
2 inability to locate the proper persons or because of their refusal to accept it, shall be then  
3  
4 deposited by the Secretary in the Treasury of the United States pursuant to 28 U.S.C.  
5 § 2041 and § 2042.

6 5. Upon receipt of the settlement payment, the Secretary will immediately  
7 forward to Defendant's counsel a stipulation and order for dismissal of the above  
8 captioned case with prejudice, pursuant to Fed. R. Civ. P. 41(b).

9 6. The parties agree that each party shall bear all fees and other expenses  
10 (including court costs) incurred by such party in connection with any stage of this  
11 proceeding to date.

12 7. The parties agree that the United States District Court for the Northern  
13 Mariana Islands will retain jurisdiction of this case for the purpose of enforcing any  
14 provisions of this Agreement.

15 8. The parties agree that this Agreement may be executed in counterparts,  
16 each of which shall be deemed to be an original, but all of which, taken together, shall  
17 constitute one and the same instrument.

18 9. Any person signing this Agreement on behalf of any party expressly  
19 acknowledges and represents thereby that he or she has the authority to sign for and  
20 legally bind such party.

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3 FOR PLAINTIFF ELAINE L. CHAO  
4 Secretary of Labor,  
5 United States Department of Labor

6 HOWARD M. RADZELY  
7 Solicitor of Labor

8 SUSANNE LEWALD  
9 Regional Solicitor

10 BARBARA A. MATTHEWS  
11 Counsel for ESA Programs

12 Norman E. Garcia  
13 NORMAN E. GARCIA  
14 Trial Attorney  
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16 United States Department of Labor  
17 71 Stevenson St., Suite 1110  
18 San Francisco, California 94105  
19 Tel. No. (415) 975-4051

Dated: July 22, 2004

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SETTLEMENT AGREEMENT

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FOR THE DEFENDANTS:

NEW SAIPAN DEVELOPMENT, INC.

By:

Signature

CHEONG PUI NG

Print Name

PRESIDENT

Title

Dated: JULY 20, 2004

ROYAL CROWN INSURANCE CORPORATION

By:

Signature

KANG HO YU

Print Name

VICE - PRESIDENT

Title

Dated: JULY 21, 2004

CHEONG PUI NG a/k/a TONY C. P, NG  
As an individual.

Dated: JULY 20, 2004

KANG HO YU  
As an individual.

Dated: JULY 21, 2004

SETTLEMENT AGREEMENT